



**COMMENTS**

**OF**

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**AND**

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**Before The**

**Chicago City Council Committee on Finance**

**January 13, 2014 Meeting**

My name is Karen Darch, the Village President of Barrington, Illinois and Co-Chair of TRAC, a community rail coalition formed in 2008 in response to CN's application to purchase the EJ&E rail line. Thank you, Chairman Burke for the invitation to present testimony today to the Finance Committee.

On a warm summer's night just over six months ago a runaway freight train derailed in the downtown of a small Quebec community at one in the morning. Seventeen of the 72 cars on the train, all loaded with crude oil, ruptured and exploded into flame. 47 people, most of whom had been enjoying an evening out at the Music Café next to the tracks were killed within seconds by the

heat and fire. Forensic teams who sifted through the rubble for two months after could only find the remains of 42 of the victims.

The people who escaped the fire that night described outrunning a three foot high wave of burning oil as it chased them flowing from the wreckage toward the lake the town was built alongside. The burning crude filled the city storm sewers sending fire into the basements of homes, businesses, the marina, and the lake. With each explosion of a tanker car, fifteen seconds later a new fireball would explode on the lake.

It took over 150 firefighters from within a 60 mile radius two days to put the fire out. Foam had to be sprayed onto the burning oil for over 30 hours to extinguish it.

This catastrophe, in the Canadian town called Lac-Megantic, left 21 children orphaned, destroyed 40 buildings in the core of the town and caused the immediate evacuation of 1500 people. As clean-up of the 80,000 gallons of crude oil which spilled into the lake and nearby waterways continues, 200 families have been told that they may not return to their homes for at least a year, 160 businesses and homes may still have to be razed, and the fill replacing the layers of contaminated soil already removed must settle for five full years before rebuilding on it can begin. A temporary water purification reservoir has been built to serve the town.

Even with over 100 Canadian government workers assisting the town with clean up and rebuilding efforts, the town's tourism industry and businesses which relied on rail transport to get goods to market have been devastated and thus many have lost jobs. Other businesses, informed that their business losses and disruptions are not covered by insurance, also face financial ruin. There have been four suicides since the disaster and experts in Post-Traumatic Stress Disorder have warned that more may be expected.

While the personal losses will never go away for the people of Lac-Megantic, the eventual price tag to return Lac-Megantic to some semblance of its former vitality could amount to \$1.5 to \$2 billion. Since the railroad involved in the accident only had \$25 million in insurance and has declared bankruptcy, the ongoing \$4 million dollar per week cleanup costs are being borne by provincial and Canadian taxpayers.

I tell you this story today as the mayor of a town traversed by two major rail lines and as the co-chair of a Chicagoland regional coalition formed because of freight rail issues. I tell this story to

you -- as members of the City Council of Chicago—the central rail hub of America, crossed by six of the seven Class I or largest freight railroads in North America. I tell you this as the amount of hazardous and explosive crude oil being carried on those railroads has increased by 4000% since 2007 and continues to increase. I tell you this while appreciating that Chicago and our region has grown up with rail and that it is vital to the City, the region, and the nation's economic health. And, I tell you this as a fellow local elected leader who recognizes that it is our first priority to protect public safety.

What is most troubling about the events of Lac-Mégantic is the thought that perhaps had the warnings of the National Transportation Safety Board (NTSB) given since 1991 about the defects in DOT-111 tank cars that carry crude oil, ethanol and other hazmat been heeded decades ago, this derailment might not have had such a catastrophically fatal result. The NTSB warnings about the fact that these tank cars tend to rupture in a derailment, and specific suggestions on how to fix them, were detailed in a report released in 2012.

That report was from another derailment, which occurred much closer to home in Cherry Valley, Illinois in 2009 when an ethanol train crossed a washed away track and the train's DOT-111's ruptured and burst into flames. A woman sitting in her car at the rail crossing was burned to death before she could flee from the burning ethanol. Nine others were injured, the fire burned for two days, and the ethanol spilled into nearby waterways caused the largest fish kill in Illinois history.

When our TRAC coalition read this NTSB report in 2012 about these defective tank cars, and the fact that firefighters responding to the Cherry Valley incident did not know for at least an hour what the train carried because the only information the train was required by law to have about its cargo was a paper manifest that the engineer couldn't deliver because an inferno stood between him and first responders, we petitioned the regulators in Washington DC—specifically the Pipeline and Hazardous Materials Safety Administration (PHMSA)—responsible for the safe transport of hazmat and therefore, the DOT-111 regulations. We asked PHMSA for two things: 1) to require that DOT-111 tank cars either be retrofitted as indicated by the NTSB or removed from service for carrying crude oil, ethanol, or other flammable hazmat, and 2) to require that railroads provide an electronic manifest indicating the train's cargo be made available to first responders immediately when a rail accident occurs. We knew that federal law preempts local control when it comes to the

railroads and interstate commerce, so it was federal regulators who had to institute these needed changes.

That Petition lay dormant until the catastrophic events of this past summer. After Lac-Megantic, regulators could no longer ignore these issues. We testified at a hearing in Washington, DC in August held by PHMSA and another federal regulator, the Federal Railroad Administration (FRA). As the only representative of local government at the hearing we tried to make regulators see things from our vantage point -- ground zero in a catastrophe, and as the level of government most immediately responsible for protecting personal safety, putting out the fire, and cleaning up and rebuilding in the aftermath of the disaster.

On September 6, PHMSA finally issued a proposed rulemaking notice seeking comments on whether to modify standards for new and existing DOT-111 tank cars. The comment period ended in December and many communities, as well as the railroad industry, have commented in support of improved safety standards for new DOT-111's and the existing fleet. Opposing voices included other industry groups, including some that own or lease the tank cars, as well as the shippers that originate these commodities.

Since that December deadline, and, in fact, within just the last two weeks, there have been two additional serious freight train derailments where crude oil from ruptured DOT-111 tank cars exploded into flame, forced evacuations, and caused extensive environmental damage when tank cars burned for more than 24 hours. One occurred in North Dakota, the other in New Brunswick, Canada -- a few miles from Maine.

So what can we, as local government leaders, do? Three things.

First, Chairman Burke and Alderman O'Shea are absolutely right that something needs to be done about the DOT-111 tank car. While the official comment period in the initial phase of rulemaking ended in December, I would urge the Chicago City Council to lend it's voice posthaste to calls for an immediate ban on the use of these tanks cars for flammable hazmat transport unless built to improved specifications or fully retrofitted to make them safer.

Second, demand that the railroads provide emergency responders an accurate electronic manifest immediately to facilitate the ability of emergency teams to respond most effectively when an accident occurs. Given 10,000 foot long freight trains and crude/ethanol unit trains, it makes no

sense to require emergency responders to await the hand delivery of a paper document from the train crew when an accident occurs as is now industry practice. A raging fire between the crew and emergency responders will impede a response thereby making the situation go from bad to catastrophic.

Finally, we would urge the Chicago City Council to reach out to the Illinois Congressional delegation and press our federal elected leaders to support a call for a hearing to examine ways to address liability for the costs which ensue after one of these hazmat rail disasters, as well as review progress (or lack thereof) on these safety issues.

Last week, TRAC contacted the greater Chicagoland delegation asking it to request that the Transportation and Infrastructure Committee hold a hearing on the liability issue, as well as the two other safety measures I have summarized for you today. Your voice of support would add immense weight to this request.

When Chairman Burke's staff contacted us and told us of Chicago's interest in joining the fight to make sure that the explosive hazmat that passes through our region does so as safely as possible, it marked an important milestone on this issue. Two years ago, we were lonely voices calling for change. The addition of the mighty voice of the City of Chicago could powerfully underscore the need to improve rail safety to the benefit of towns and cities across our country and in Canada.

Before I respond to any questions you may have, I thought I'd use a visual to help you understand how much a derailment the scope of Lac-Megantic could impact Chicago. On Map 1, I've used a yellow circle indicating the size of the destruction zone in Lac-Megantic and overlaid it on a map of Chicago with City Hall as ground zero. The second map is at the location of actual rail lines near Printer's Row. Please visualize for yourself the location of the freight rail lines that run through each of your Wards to imagine the devastation that could be wrought on your communities if regulators fail to act aggressively.